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CENTRAL INTELLIGENCE AGENCY

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- 1) The breaking up of large property holdings was accompanied by the breaking up of livestock inventories. In the majority of cases these holdings were divided among new arrivals who seldom brought any cattle with them. Owners of one head of cattle are unable to meet their quotas; these represent the greatest number. Other cattle growers reduced their herds below the minimum as a result of the drought last year.
 - 2) The great disparity in prices between agricultural and industrial products; the low prices of cattle for slaughter (6,000 - 8,000 Kcs) and high prices of utility cattle (25,000 - 30,000 Kcs).
 - 3) The producers' lack of confidence in the Czechoslovak currency and the practice of securing desired goods by exchange.
 - 4) The antagonism between the farmers and the workers.
 - 5) A pronounced resistance to the present regime. For instance, in the village of Priekopa, when the quotas of milk were being determined, the farmers declared in unison that they would not "feed the insatiable bellies of the Communists". Minutes of the meeting at which this statement had been made were submitted to the Commissariat for Food; the Third Bureau of the Commissariat of the Interior asked for the minutes and had several of the farmers arrested.
- f. No important changes in the provisioning of the Army have been noticed. The Army has been receiving practically the same quantity of meat every month. The Army Service Corps (VO4) had requisitioned 2,000 kg of canned meat of good quality. Canned meat imported from Hungary, which was offered them, was refused; the VO4 then requisitioned the meat which had been ordered in Yugoslavia—not the amount requested, however; the Army order was filled gradually. Eighty thousand kg of canned meat is a four-week supply for the troops stationed in Slovakia at the present time.
- g. For 1949, on the basis of the Five-Year Plan, the following meat production figures are given: beef - 26,056 tons, veal - 4,774 tons, pork - 12,500 tons, horse meat - 90 tons, goat's meat - 25 tons, mutton - 378 tons, total - 43,823 tons. At an average yearly consumption of 31.59 Kg per person, 1,900,000 consumers (of whom 1,600,000 are "self-suppliers") will require 60,334 tons of meat. In 1949, Slovakia will have to import 17,514 tons. For the entire Czechoslovak Republic the importation of 74,884 tons of meat is planned. It will also be necessary to import 55 million eggs and 10,000 tons of lard.

2. Construction Work

- a. All buildings, whether private or public, must be built by the Czechoslovak Construction Works, the only authorized agency in this field. Husak declared that all "black" and "gray" building jobs would be severely punished. The distribution of construction materials is directly controlled by a certain sector which, in turn, is controlled by the Commissariat of Technology. Building materials can be allotted only for buildings scheduled in the Two-Year or the Five-Year Plans. The shortage of cement and bricks can be explained by a considerable decrease in the labor force in this field of production, especially during the summer months. There are reasons to believe that the production of cement and bricks has increased substantially in recent weeks since forced transfers of labor were effected from sectors with surplus labor to those short of labor. Although the Government lays great stress upon the Five-Year Plan (or plans as submitted to the Central Planning Commission and to the Economic Council) it does not follow it strictly to the letter but alters it according to circumstances.

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- b. Generally, the planning of industrial plant building was subject to the approval of the Ministry of National Defense in every individual case. Originally, a principle was adopted according to which all important industrial establishments were to be located east of the line of Ostrava-Brno-Znojmo. Based upon this principle, directives for the final drafting of specific plans have been issued. These plans, however, are not binding either for the Central Government in Prague or for the Slovak Board of Commissars. The Slovak Board of Commissars, for example, in assigning priorities to construction projects recently ordered that work be started on buildings which had been originally scheduled for the final period of the Five-Year Plan or had not been included in the Plan at all (for example: chemical factory in Novaky, margarine factory in Bratislava, slaughterhouse in Presov, etc.).
- c. Although the public authorities strongly emphasize the importance of planning, and in spite of the severe sanctions against sabotage of the Plan, the planners' activities present a chaotic picture, as terms have not been clarified yet and the areas of jurisdiction have not been defined.
- d. The construction phase of the Plan shows the poorest performance, especially in Bohemia. In Slovakia the chief cause of a poor performance has been the lack of labor.

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